

COVID-19: Financial Resources for Residents and Small Business Owners

- Speak to *your insurance company* to find out what they will cover.
- Speak to your bank. Various banks have issued statements regarding the assistance they are able to give to their banking clients with mortgages and small businesses loans during COVID-19. See this list on the Forbes website (article dated April 3, 2020) here: <https://www.forbes.com/sites/advisor/2020/03/12/list-of-banks-offering-relief-to-customers-affected-by-coronavirus/#60144a4d3ee3>
- Auto dealers have created Coronavirus Car Payment Plans. See information about how auto dealers can assist you. <https://www.jdpower.com/cars/shopping-guides/automakers-create-coronavirus-car-payment-plans>
- Residents who are not working during this time due to the coronavirus can apply for unemployment insurance benefits. Use this link to get more information and to file for unemployment. <http://www.ctdol.state.ct.us/> or <https://www.ctdol.state.ct.us/HP/UIServices.htm>
- Residents who cannot pay their rent can apply for assistance from [Friends of Ridgefield – Ridgefield Responds](#).
- Small business owners, do you have employees who are still studying? For those who are still studying assistance and advice is available here <https://www.consumerfinance.gov/ask-cfpb/what-should-i-do-cant-afford-student-loan-payment-en-639/>
- Connecticut Business & Industry Association (CBIA) announced a program where businesses listed by the state as essential and with less than 50 employees are eligible to receive surgical masks to help ensure the safety and continuity of their operations <https://www.ctcovidresponse.org/request-masks-for-ct-small-business>
- Connecticut Recovery Bridge Loan Program for small business- To provide emergency cash flow relief to small businesses and nonprofits negatively impacted by the coronavirus, Connecticut is now offering qualifying organizations with 100 or fewer employees access to no-interest loans. Contact decctrecovery@ct.gov
Loans are administered by the Department of Economic Development in Connecticut. DECD loan details here: <https://portal.ct.gov/DECD/Content/Coronavirus-Business-Recovery/CT-Recovery-Bridge-Loan-Program>
- The Federal Emergency Management Agency (FEMA) also offer financial assistance via Disaster Loans. See their website [Federal Emergency Management Agency \(FEMA\)](#) Eligible emergency protective measures taken to respond to the COVID-19 emergency at the direction or guidance of public officials may be reimbursed under Cat B of FEMA's Public Assistance Program. <https://www.fema.gov/news-release/2003/01/20/how-public-assistance-program-works>
- Payroll Protection Program – through SBA, for small business
If you applied for a PPP loan ask your bank for a status update
This loan amounts will be FORGIVEN as long as:
 - The loan proceeds are used to cover payroll costs, and most mortgage interest, rent, and utility costs over the 8-week period after the loan is made.

- Employee and compensation levels are maintained.
 - Payroll costs are capped at \$100,000 on an annualized basis for each employee.
 - Due to likely high subscription, it is anticipated that not more than 25% of the forgiven amount may be for non-payroll costs.
 - Loan payments will be deferred for 6 months.
All businesses – including nonprofits, veterans' organizations, sole proprietorships, self-employed individuals, and independent contractors – with 500 or fewer employees can apply. If you have not applied yet, the deadline for applications is June 30th until funds run out. Visit www.sba.gov for a list of SBA lenders.
- The U.S. Small Business Administration (SBA) offers disaster assistance in the form of low-interest loans to businesses, renters, and homeowners located in regions affected by declared disasters. Information here: <https://www.sba.gov/funding-programs/disaster-assistance>
Small business owners in all U.S. states and territories are currently eligible to apply for a low-interest loan due to Coronavirus (COVID-19). Find resources here: <https://www.sba.gov/page/coronavirus-covid-19-small-business-guidance-loan-resources>
For loan application click here: <https://disasterloan.sba.gov/ela/>
 - If you need assistance in navigating these trying times, SCORE is there to help small businesses in any way they can to guide you through all the red tape. They have mentors from all business sectors knowledgeable and eager to work with you, see details here <https://www.score.org/> or here <https://www.score.org/coronavirus-sba-loans>
See additional details from SCORE below.
 - Governor Ned Lamont has produced a FAQ document covering many of the questions you may have regarding the state of Connecticut's reactions to COVID-19, see this document here <https://portal.ct.gov/-/media/Coronavirus/COVID-19-FAQs.pdf?la=en>
 - Facebook Small Business Grants Program: Facebook has said they are committed to offering up to 30,000 small businesses \$100 million in cash grants and Facebook advertising credits. The grants will be provided to businesses in more than 30 countries. Information is limited, but sign up on Facebook to get more details from the company when they're available.

The Department of Labor's Occupational Safety and Health Administration have resources for businesses with links to interim guidance and other resources for preventing exposures to, and infection with, the novel coronavirus. <https://www.osha.gov/SLTC/covid-19/>

The Center for Disease Control is a valuable resource at this time. As an employer you need to remain in the know, please see their resources here <https://www.cdc.gov/coronavirus/2019-ncov/community/organizations/businesses-employers.html>

Department of Labor - Congress passed a \$3 trillion stimulus package aimed at combating the economic consequences of the coronavirus pandemic. The legislation will provide direct checks to many Americans, drastically expand unemployment insurance and offer billions in loans to help small business owners during COVID-19. These funds will be available through SBA and in the state of Connecticut through CTDOL. <http://www.ctdol.state.ct.us/>

Details on the forthcoming federal stimulus, part of which will provide direct assistance to small business and individuals, can be found [here](#).

Be careful of scammers. Scammers are taking advantage of fears surrounding the Coronavirus. They're setting up websites to sell bogus products, and using fake emails, texts, and social media posts as a ruse to take your money and get your personal information. Tips to help you protect yourself from potential scammers can be found here:

<https://www.consumer.ftc.gov/blog/2020/02/coronavirus-scammers-follow-headlines>

or here

https://www.consumerfinance.gov/about-us/blog/protect-yourself-financially-from-impact-of-coronavirus/#anchor_potential-scams

Information from SCORE explaining the SBA loan process

SCORE Western Connecticut

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As you are aware, the Small Business Administration has made disaster loans available for small businesses. There have been a lot of discussions and presentations. Here is a simple guide to the program as recently explained by Julio Casiano, at the SBA office in Hartford.

- Each loan can be for up to \$2 MM, at the discretion of the SBA underwriter, potentially more if you can show that you are a critical employer.
- Loans under \$25 K can be unsecured. They will look for collateral above \$25 K, but will NOT deny a loan for lack of collateral. You will have to put up what you can.
- The loans are to cover fixed operating costs: payroll, accounts payable, debt service, etc. They are NOT to cover lost sales, lost profit or expansion.
- Since the state of Connecticut has been declared a disaster area, this loan money will come directly from the SBA, not from a bank with SBA co-signing.
- You will have to have an acceptable credit history and show an ability to repay once the crisis has passed.
- The rate is 3.75% for up to a 30-year term; 2.75% for non-profits.
- All payments will be deferred for 12 months.

There is a full application process. Clients should go to www.sba.gov/disaster for get started. From there they click on "Apply for Assistance", and then "Apply Online". The site is slammed, as you can imagine. Logging on late in the evening, at night, or very early morning, when traffic is lighter is advised. The SBA is working towards a 30-day turnaround from application submission to closing.

You should be prepared before going online:

- PDFs of three years of tax returns. Interim financial statements for 2019 will be allowed. Newer businesses – even start ups can use whatever returns they have, and can include projections if brand new, but established before the disaster declaration
- Statement of all liabilities
- Personal financial statements (Form 413 in SBA-speak)

Clients who are technology challenged can call 1-(800) 659-2955, or write to disastercustomerservice@sba.gov, but expect those to be very busy as well.

You can also get assistance from Nelson Merchan at the Connecticut Small Business Development Commission. To do this go online at www.ctsbdc.com and click on "Request Business Advising. Once you have registered as a CTSBDC client, Nelson will call you.

Please call or write to your SCORE mentor, the Western Connecticut Chapter, or the CTSBDC if you have any questions.